

Resolution No.: 19-438
Introduced: April 28, 2020
Adopted: April 30, 2020

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead sponsor: County Council

SUBJECT: Special Appropriation to the Fiscal Year 2020 Operating Budget
Montgomery County Government, Montgomery County Economic Development
Corporation Non-Departmental Account, Support for COVID-19 Response –
Telework Assistance Program, \$250,000 (Source of Funds: General Fund
Reserves)

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. A new coronavirus disease, named COVID-19, appeared in China in December 2019 and spread extremely quickly. On March 11, 2020, the World Health Organization declared the disease a pandemic. The April 11, 2020 situation report from the World Health Organization stated that the number of confirmed cases worldwide has exceeded 1.6 million, (approximately 1.5 million more than 1 month earlier). As of April 24, 2020, there were 3,227 cases and 121 deaths in Montgomery County.
3. To slow the spread of the disease, Governor Hogan declared a State of Emergency and has issued several Executive Orders with actions that include, but are not limited to, closing schools; prohibiting activities by non-essential businesses that restrict traditional on-site operations; closing senior centers and adult medical day care programs; limiting the number of people that can gather; and closing all gyms, movie theaters, and bars and restaurants (excluding carryout and delivery service).
4. The efforts to contain the spread of the disease and the disease itself continues to have a crippling impact on Montgomery County's local business community and non-profit organizations.

5. Many businesses and non-profit organizations are implementing teleworking policies to comply with the Governor's stay-at-home order to reduce the spread of COVID-19, some for the first time.
6. The Council through this special appropriation is creating the Telework Assistance Program to reimburse businesses and non-profit organizations for expenses incurred to implement a teleworking policy due to the COVID-19 health crisis.
7. A business or non-profit organization is eligible to receive assistance from the Telework Assistance Program if it: 1) has its physical location(s) only in the County; or its County-based locations account for more than 50% of the business's total number of employees or 50% of the business's gross sales; 2) employs 100 or less full-time-equivalent employees; 3) has not received financial assistance from the State or County for teleworking expenses related to the COVID-19 health crisis; and 4) has incurred expenditures between March 1, 2020 to June 1, 2020, specifically to implement a teleworking policy (e.g., computers, cameras, software, etc.).
8. Each eligible business and non-profit organization may be awarded a grant up to \$2,500 for verified teleworking equipment and software. The actual grant will be based on actual expenditures for each business and non-profit organization.
9. A FY20 Operating Budget special appropriation is requested for the Montgomery County Economic Development Corporation Non-Departmental Account:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$250,000	\$250,000	General Fund Undesignated Reserve

10. This special appropriation is needed to implement the Telework Assistance Program.
11. Notice of public hearing was given and a public hearing was held.
12. The Council amended the resolution on April 30, 2020 prior to action. The amendments were: 1) amending the recipient from the Department of Finance, Economic Development Fund to the Montgomery County Economic Development Corporation Non-Departmental Account; 2) adding an end date of June 1, 2020 for incurred expenditures by eligible businesses; and 3) adding reporting requirements on the use of funds for the Montgomery County Economic Development Corporation.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A special appropriation to the FY20 Operating Budget for the Montgomery County Economic Development Corporation Non-Departmental Account:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$250,000	\$250,000	General Fund Undesignated Reserve

This special appropriation must only be used for the Telework Assistance Program under the guidelines described in paragraphs 7 and 8.

The Montgomery County Economic Development Corporation must provide a preliminary report to the County Council by June 1, 2020 and a final report by August 31, 2020 about the use of these funds that includes: 1) information about the total applications and basic business information of the applicants (e.g., type of business, size of business, etc.); 2) basic information about the number and reason(s) that businesses did not qualify; and 3) names of businesses and total award amount for any business that receives assistance from the Telework Assistance Program.

This appropriation is needed to act without delay in the public interest.

This is a correct copy of Council action.



 Selena Mendy Singleton, Esq.
 Clerk of the Council